

**Representative Rebecca D. Lockhart** proposes the following substitute bill:

**RECOVERY OF ADMINISTRATIVE FEE FOR  
DAMAGES SUSTAINED TO A RENTAL MOTOR  
VEHICLE**

2003 GENERAL SESSION

STATE OF UTAH

**Sponsor: Rebecca D. Lockhart**

**This act modifies the Insurance Code by authorizing a vehicle rental company to charge a reasonable administrative fee to offset the expenses incurred for resolving a damage claim on a rental vehicle. This act adds the administrative fee and any provable diminution in value to the definition of damage to a rental vehicle.**

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

**31A-22-311**, as last amended by Chapter 316, Laws of Utah 1994

*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **31A-22-311** is amended to read:

**31A-22-311. Definitions.**

As used in Sections 31A-22-312 and 31A-22-314:

(1) "Administrative fee" means a reasonable fee imposed by a vehicle rental company to offset expenses incurred in processing a damage claim.

~~[(1)]~~ (2) "Authorized driver" means the person to whom the vehicle is rented and includes:

(a) his spouse if a licensed driver satisfying the rental company's minimum age requirement;

(b) his employer or coworker if engaged in business activity with the renter and if they are licensed drivers satisfying the rental company's minimum age requirement;



- 26 (c) any person who operates the vehicle during an emergency situation;  
27 (d) any person who operates the vehicle while parking the vehicle at a commercial  
28 establishment; or  
29 (e) any person expressly listed by the rental company on the rental agreement as an  
30 authorized driver.

31 ~~[(2)]~~ (3) "Damage" means any provable damage to or loss [to] in value sustained by the  
32 rented vehicle ~~[resulting from a collision,]~~ including:

- 33 (a) loss of use [and]; and  
34 (b) any costs and expenses incident to the damage or loss[-], including a reasonable  
35 administrative fee as defined in Subsection (1); and  
36 (c) any diminution of value of the rental vehicle that can be proven as being directly  
37 attributable to the damage or loss.

38 ~~[(3)]~~ (4) "Rental agreement" means any written agreement stating the terms and  
39 conditions governing the use of a private passenger motor vehicle provided by a rental  
40 company.

41 ~~[(4)]~~ (5) "Rental company" means any person or organization in the business of  
42 providing private passenger motor vehicles to the public.

43 ~~[(5)]~~ (6) "Renter" means any person or organization obtaining the use of a private  
44 passenger motor vehicle from a rental company under the terms of a rental agreement.